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HOUSE BILL 819

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

ANNA MARIE CROOK

AN ACT

RELATING TO TAXATION; AMENDING THE INCOME TAX ACT TO REDUCE RATES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-2-7 NMSA 1978 (being Laws 1994, Chapter 5, Section 20) is amended to read:

"7-2-7. INDIVIDUAL INCOME TAX RATES. --The tax imposed by Section 7-2-3 NMSA 1978 shall be at the following rates for any taxable year beginning on or after January 1, [~~1996~~] 1997:

A. For married individuals filing separate returns:

If the taxable income is:	The tax shall be:
Not over \$4,000	1.7% of taxable income
Over \$4,000 but not over \$8,000	\$68.00 plus 3.2% of excess over \$4,000
Over \$8,000 but not over \$[12,000]	\$196 plus 4.7% of

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1 of excess over \$64,000
2 Over \$100,000 [~~\$6,276~~] \$6,224 plus
3 [~~8.5%~~] 8.3% of excess
4 over \$100,000.

5 C. For single individuals and for estates and
6 trusts:

7	If the taxable income is:	The tax shall be:
8	Not over [\$5,500] <u>\$6,000</u>	1.7% of taxable income
9	Over [\$5,500] <u>\$6,000</u> but not	[\$93.50] <u>\$102</u> plus 3.2%
10	over [\$11,000] <u>\$12,000</u>	of excess over [\$5,500]
11		<u>\$6,000</u>
12	Over [\$11,000] <u>\$12,000</u> but not	[\$269.50] <u>\$294</u> plus 4.7%
13	over [\$16,000] <u>\$18,000</u>	of excess over [\$11,000]
14		<u>\$12,000</u>
15	Over [\$16,000] <u>\$18,000</u> but not	[\$504.50] <u>\$576</u> plus 6.0%
16	over \$26,000	of excess over [\$16,000]
17		<u>\$18,000</u>
18	Over \$26,000 but not over \$42,000	[\$1,104.50] <u>\$1,056</u> plus
19		7.1% of excess over
20		\$26,000
21	Over \$42,000 but not over \$65,000	[\$2,240.50] <u>\$2,192</u> plus
22		7.9% of excess over
23		\$42,000
24	Over \$65,000	[\$4,057.50] <u>\$4,009</u> plus
25		[8.5%] <u>8.3%</u> of excess

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1 over \$65,000.

2 D. For heads of household filing returns:

3 If the taxable income is: The tax shall be:

4 Not over \$7,000 1.7% of taxable income

5 Over \$7,000 but not over \$14,000 \$119 plus 3.2% of
6 excess over \$7,000

7 Over \$14,000 but not over [~~\$20,000~~
8 \$24,000 \$343 plus 4.7% of
excess over \$14,000

9 Over [~~\$20,000~~ \$24,000 but not over [~~\$625~~ \$813 plus 6.0% of
10 [~~\$33,000~~ \$34,000 excess over [~~\$20,000~~
11 \$24,000

12 Over [~~\$33,000~~ \$34,000 but not [~~\$1,405~~ \$1,413 plus 7.1%
13 over [~~\$53,000~~ \$54,000 of excess over [~~\$33,000~~
14 \$34,000

15 Over [~~\$53,000~~ \$54,000 but not [~~\$2,825~~ \$2,833 plus 7.9%
16 over \$83,000 of excess over [~~\$53,000~~
17 \$54,000

18 Over \$83,000 [~~\$5,195~~ \$5,124 plus
19 [~~8.5%~~ 8.3% of excess
20 over \$83,000.

21 E. The tax on the sum of any lump-sum amounts included
22 in net income is an amount equal to five multiplied by the
23 difference between:

24 (1) the amount of tax due on the taxpayer's
25 taxable income; and

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